

Indiana Department of Environmental Management

We make Indiana a cleaner, healthier place to live.

Joseph E. Kernan Governor

Lori F. Kaplan Commissioner

February 4, 2004

100 North Senate Avenue P.O. Box 6015 Indianapolis, Indiana 46206-6015 (317) 232-8603 (800) 451-6027 www.in.gov/idem

TO: Interested Parties / Applicant

RE: Royal Adhesives and Sealants, LLC / 141-16402-00146

FROM: Paul Dubenetzky

Chief, Permits Branch Office of Air Quality

Notice of Decision: Section 112(j) Applicability Determination

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 4-21.5-3-5(f) this order is effective fifteen (15) days after it is served. When served by U.S. mail, the order is effective eighteen (18) calendar days from the mailing of this notice pursuant to IC 4-21.5-3-2(e).

If you wish to challenge this decision, IC 4-21.5-3-7 requires that you file a petition for administrative review. This petition may include a request for a stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Room 1049, Indianapolis, IN 46204, within eighteen (18) calendar days of the mailing of this notice. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- the date the document is delivered to the Office of Environmental Adjudication (OEA); (1)
- the date of the postmark on the envelope containing the document, if the document is mailed to (2)OEA by U.S. mail; or
- (3) the date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit. decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- the name and address of the person making the request; (1)
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4)the reasons with particularity, for the request;
- the issues, with particularity, proposed for consideration at any hearing; and (5)
- identification of the terms and conditions which, in the judgment of the person making the request, (6)would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

> Enclosure FN-112jdet.dot 9/16/03





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February 4, 2004

61-50 DW James Elgin Royal Adhesives and Sealants, L.L.C. 2001 W. Washington Ave. South Bend, IN 46628

> Response to Review Request No. 16402: Re:

> > Section 112(j) Applicability Determination

Plant ID: 141-00146

Dear Mr. Elgin:

Royal Adhesives and Sealants, L.L.C., located at 2001 W. Washington Ave. in South Bend, Indiana, submitted a request for an applicability determination regarding the requirements of Section 112(j) of the Clean Air Act (CAA) on May 15, 2002. The letter was submitted in accordance with 40 CFR 63.52(d)(1) and requested that the Indiana Department of Environmental Management, Office of Air Quality (IDEM, OAQ) determine if Royal Adhesives and Sealants, L.L.C. is subject to the requirements of Section 112(j) (40 CFR 63.50 through 63.56) for the following source categories:

- Industrial, Commercial, & Institutional Boilers and Process Heaters; and
- Reciprocating Internal Combustion Engines (RICE).

Pursuant to 40 CFR 63.50, the requirements of Section 112(j) will apply only if your entire source is a major source of hazardous air pollutants (HAPs) and one or more of your processes or emissions units belong in a category or subcategory for which the United States Environmental Protection Agency (U.S. EPA) has failed to promulgate an emission standard on or before the Section 112(j) deadline. IDEM, OAQ has determined that your source is subject to Section 112(j) for the Industrial, Commercial, & Institutional Boilers and Process Heaters source category. IDEM, OAQ has determined that your source is not subject to Section 112(j) for the Reciprocating Internal Combustion Engines (RICE) source category. Explanations of these determinations are provided below.

MAJOR SOURCE DETERMINATION

The information submitted in the Part 1 MACT Application indicates that Royal Adhesives and Sealants, L.L.C. is a major source of HAPs. In addition, the Title V operating permit, T141-9909-00146, for Royal Adhesives and Sealants, L.L.C. indicates that the source is a major source of HAPs. Since Royal Adhesives and Sealants, L.L.C. is a major source of HAPs, IDEM, OAQ evaluated the source categories for which Royal Adhesives and Sealants, L.L.C. requested an applicability determination.



SOURCE CATEGORY DETERMINATION

Industrial, Commercial, & Institutional Boilers and Process Heaters NESHAP
 IDEM, OAQ used the following information to determine if the natural gas-fired boilers at Royal Adhesives and Sealants, L.L.C. belong to the affected source category, Industrial, Commercial, & Institutional Boilers and Process Heaters:

- The Part 1 Maximum Achievable Control Technology (MACT) Application;
- The issued Title V permit for Royal Adhesives and Sealants, L.L.C.;
- The proposed federal rule from the January 13, 2003 Federal Register, and
- Background information available at the U.S. EPA Air Toxics Website at http://www.epa.gov/ttn/atw/boiler/boilerpg.html.

There is no final MACT Standard for the Industrial, Commercial, & Institutional Boilers and Process Heaters source category. The proposed rule for this source category was published on January 13, 2003. Section 63.7490(b) of the proposed rule defines the affected source to which the Industrial, Commercial, and Institutional Boilers and Process Heaters MACT will apply as "each industrial, commercial, or institutional boiler or process heater, as defined in [40 CFR] 63.7485...". The definition of "industrial, commercial, or institutional boiler" provided in 40 CFR 63.7485(a) is: "...an enclosed device using controlled flame combustion and having the primary purpose of recovering thermal energy in the form of steam or hot water."

As per the Part 1 MACT application submitted by Royal Adhesives and Sealants, L.L.C., the source has the following boilers:

- One natural gas-fired boiler rated as 0.65 mmBtu/hr, used intermittently to supply steam for prototype lab work; and
- Two natural gas-fired boilers rated at 1.34 million British thermal units per hour (mmBtu/hr) each, that are not in use.

The natural gas-fired boiler at Royal Adhesives and Sealants, Inc., rated at 0.65 million British thermal units per hour (mmBtu/hr), meets the criteria in the definition of a boiler. The purpose of the boiler is to provide steam for prototype lab work. There are no specific exclusions or exemptions regarding the size of the boiler or the specific use of the thermal energy, other than an exclusion for water heaters. Therefore, it may be reasonably determined that the natural gas-fired boiler used to produce steam will be regulated by the Industrial, Commercial, and Institutional Boilers and Process Heaters MACT.

From the information provided by Royal Adhesives and Sealants, Inc. the two natural gas-fired boilers, rated at 1.34 mmBtu/hr each, are not in use. However, these two boilers are listed in the Title V operating permit, T141-9909-00146, issued to Royal Adhesives and Sealants, Inc. and the permit conditions do not prevent the operation of these boilers. When used, these boilers will produce steam for the processes at Royal Adhesives and Sealants, Inc. There are no specific exclusions or exemptions regarding the size of the boiler or the specific use of the thermal energy, other than an exclusion for water heaters. Therefore, it may be reasonably determined that the two natural gas-fired boilers, rated at 1.34 mmBtu/hr each, used to produce steam will be regulated by the Industrial, Commercial, and Institutional Boilers and Process heaters MACT.

Pursuant to 40 CFR 63.52(e)(2)(i), based on the information available at this time, IDEM, OAQ has determined that the three industrial boilers at Royal Adhesives and Sealants, Inc., at 0.65, 1.34 and 1.34 mmBtu/hr respectively, belong to the affected source category, Industrial, Commercial, & Institutional Boilers and Process Heaters. If Royal Adhesives and Sealants, Inc. continues to meet the applicability criteria of 40 CFR 63.50 at the time of the Part 2 MACT Application deadline for this source category, Royal Adhesives and Sealants, Inc. shall submit a Part 2 MACT Application in accordance with 40 CFR 63.52(e)(2)(i) and 40 CFR 63.53(b), postmarked no later than the Part 2 MACT Application deadline. The

first Part 2 MACT Application deadline for the Industrial, Commercial, & Institutional Boilers and Process Heaters source category is April 28, 2004. The most current information regarding Section 112(j), including the promulgation schedule for the remaining MACT standards, is available on the OAQ 112(j) web page at http://www.in.gov/idem/air/permits/112j. For the most current information regarding this source category, refer to U.S. EPA's Air Toxics Website for the Industrial, Commercial, & Institutional Boilers and Process Heaters source category at http://www.epa.gov/ttn/atw/boiler/boilerpg.html. Since less than three years remain on the term of your Title V operating permit, IDEM, OAQ will not reopen your permit but will include all applicable MACT requirements in your permit upon renewal.

2. Reciprocating Internal Combustion Engines (RICE) NESHAP

IDEM, OAQ used the following information to determine if the natural gas-fired internal combustion engine used for emergency power at Royal Adhesives and Sealants, L.L.C. belongs to the affected source category, Reciprocating Internal Combustion Engines (RICE):

- The Part 1 Maximum Achievable Control Technology (MACT) Application;
- The issued Title V permit for Royal Adhesives and Sealants, L.L.C.;
- The proposed federal rule from the December 19, 2002 Federal Register, and
- Background information available at the U.S. EPA Air Toxics Website at http://www.epa.gov/ttn/atw/rice/ricepg.html.

There is no final MACT Standard for the RICE source category. The proposed rule for this source category was published on December 19, 2002. The natural gas-fired internal combustion engine at Royal Adhesives and Sealants, L.L.C. is rated at less than 10 horsepower and is used intermittently to drive a generator to supply backup power to the phone system during power outages. Section 63.6590(b)(2)(ii) of the proposed rule for the Reciprocating Internal Combustion Engines (RICE) NESHAP indicates that a stationary RICE that has a manufacturer's nameplate rating of less than or equal to 500 brake horsepower does not have the meet the requirements the RICE MACT or 40 CFR 63, Subpart A, the general provisions requirements. Since the natural gas-fired internal combustion engine at Royal Adhesives and Sealants, L.L.C. meets this exemption, it may be reasonably determined that the natural gas-fired internal combustion engine will not be subject to the RICE MACT.

Pursuant to 40 CFR 63.52(e)(2)(i), based on the information available at this time, IDEM, OAQ has determined that the natural gas-fired internal combustion engine used for emergency power at Royal Adhesives and Sealants, L.L.C. does not belong to the affected source category, Reciprocating Internal Combustion Engines (RICE). Royal Adhesives and Sealants, L.L.C. will not be required to submit a Part 2 MACT Application in accordance with 40 CFR 63.53(b) for this affected source category. If Royal Adhesives and Sealants, L.L.C. is subject to Section 112(j) for any other source categories, Royal Adhesives and Sealants, L.L.C. shall submit a Part 2 MACT Application for those source categories.

If U.S. EPA promulgates a final MACT standard prior to IDEM, OAQ issuing a permit containing the Section 112(j) determination requirements, a source is no longer subject to Section 112(j) for that source category, including the requirement to submit a Section 112(j) Part 2 MACT Application. A source is still subject to Section 112(j) for any other source categories that do not have promulgated MACT standards.

This determination is based on the information provided by Royal Adhesives and Sealants, L.L.C., IDEM, OAQ records, and the information currently available from the U.S. EPA. Note that if additional equipment or capacity is added or operational practices are changed (e.g., switching solvents from a solvent that contains no HAPs to a solvent containing HAPs), the Section 112(j) requirements may be triggered in accordance with 40 CFR 63.52(b). If the events described in 40 CFR 63.52(b) occur at the source, Royal Adhesives and Sealants, L.L.C. shall submit a Part 1 MACT Application in accordance with the requirements and schedule contained in 40 CFR 63.52(b).

Questions should be directed to Rebecca Mason or Karthika Thurairajah at IDEM, OAQ, 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana, 46206-6015. You can also call (800) 451-6027, and ask for Rebecca Mason at extension 3-9664 or Karthika Thurairajah at 3-4227, or dial (317) 233-9664 for Rebecca Mason or (317) 233-4227 for Karthika Thurairajah.

Sincerely,

Original Signed by Paul Dubenetzky

Paul Dubenetzky, Chief Permits Branch Office of Air Quality

RM/KT

CC: File – St. Joseph County
St. Joseph County Health Department
Air Compliance – Rick Reynolds
Northern Regional Office
Administration Section
U.S. EPA Region V – Genevieve Damico

Bill Faust Royal Adhesives and Sealants, L.L.C. 2001 W. Washington Ave. South Bend, IN 46628

Michael Cira Bruce Carter Associates, L.L.C. 733 Princeton Street Elkhart, IN 46516